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SUBJECT: Vice Foreign Minister Expresses Interest in "Normalizing"
Bilateral Contacts

REF: 09 CARACAS 1597

CLASSIFIED BY: Robin D. Meyer, Political Counselor, State, POL;
REASON: 1.4(B), (D)

11. (C) Summary. On January 8, six months after his return to post, Ambassador Duddy had his first meeting with a senior Venezuelan government (GBRV) official, Vice Foreign Minister Francisco Arias Cardenas. Arias told the Ambassador he was interested in opening a dialogue both on policy as well as operational issues, promised to seek a response to unanswered diplomatic notes regarding bilateral energy cooperation, and said he would discuss visa issues with the Foreign Ministry's new protocol director. The Ambassador and Arias also exchanged views on perceptions of the Obama Administration, GBRV allegations regarding U.S. overflights of Venezuela, the coup in Honduras, the U.S.-Colombia Defense Security Agreement, and judicial independence. While the meeting was cordial, sharp differences were clear on a range of issues. End Summary.

Vice Minister Agrees to Breakfast Meeting

12. (C) Francisco Arias Cardenas, Vice Minister for Latin America and the Caribbean, accompanied by his assistant Pui Leong, had a frank but cordial meeting with Ambassador Duddy, DCM Caulfield, and Polcouns Meyer at the Ambassador's residence on January 8. The invitation for this breakfast meeting had been extended on January 4 and had specifically cited the Ambassador's interest in having a conversation before the Ambassador's return to Washington for consultations. (Note: The Ambassador departs post on January 10 for personal leave followed by the WHA Chiefs of Mission Conference. End Note.) Although Venezuelan Ambassador to the United States Bernardo Alvarez was in Caracas, Arias did not include him in the meeting despite an invitation to do so. This meeting was Ambassador Duddy's first meeting with a senior GBRV official since his return to post in July 2009.

Ambassador Assesses Status of the Bilateral Relationship

13. (C) The Ambassador noted that the return of an ambassador

to a country from which he had been expelled was unprecedented and, for that reason, the decision for him to return to Venezuela following his September 2008 expulsion had been taken by President Obama himself. As a result, there was a high level of interest in Washington in assessing the impact of his return on the bilateral relationship. The Ambassador expressed disappointment that he had not been able to meet with senior GBRV officials and that GBRV concerns on bilateral issues were being conveyed in the press rather than directly to him.

14. (C) The Ambassador noted that several diplomatic notes proposing meetings in areas of mutual interest, including energy cooperation, had gone unanswered. Since he would be seeing Department of Energy representatives, possibly including Energy Secretary Chu, in Washington, he expected questions about the GBRV's response to the proposals contained in the diplomatic notes. (Note: On September 24, 2009, the Embassy sent a Diplomatic Note to follow up on verbal requests from the Venezuelan Embassy in Washington and the state-owned petroleum company PDVSA regarding the possible renewal of a Memorandum of Understanding between the GBRV the U.S. Department of Energy. The Embassy sent a second Diplomatic Note on this issue on November 13 that also forwarded an invitation to GBRV Energy Minister Ramirez from Energy Secretary Chu to attend the Energy and Climate Ministerial of the Americas on April 15-16 in Washington, D.C. End Note.) The Ambassador also reiterated our offer of renewed cooperation on counternarcotics, including through the return of a Venezuelan representative to JIATF-South.

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15. (C) The Ambassador stressed his interest in dialogue, even when it might involve strong disagreements, rather than "diplomacy via press statements." He noted that his public remarks had been limited and professional, and he noted that he had, for instance, refrained from publicly excoriating the GBRV over its claim that it had submitted everything required in a recent extradition case when, in fact, it had not (reftel).

Arias Sees Bilateral Cooperation as Difficult, but Worth Trying

16. (C)) Arias expressed his interest in "normalizing" bilateral contacts. He said President Chavez was interested in good relations with all countries, including the United States, but they felt the United States was "surrounding them" with the U.S. bases in Colombia. "Coexistence ("convivencia") will be difficult," he said, "but we have to try." While Arias stressed his interest in developing channels of communication on policy as well as operational issues, he noted that his role was complicated by the fact that his designation as Vice Minister for the Americas was still not official. However, he would try to provide concrete responses on the pending diplomatic notes concerning energy cooperation. He observed that the current electrical shortages were the result both of the drought and the lack of infrastructure maintenance; the latter problem would only be able to be resolved with additional investment. The DCM suggested that this issue could be addressed in conversations with the Department of Energy.

17. (C) Arias also promised to discuss our concerns about delays in processing U.S. visa requests with the newly-appointed protocol director. The DCM reiterated the Embassy's interest in meeting with the new protocol director. (Note: Late in the afternoon, the Protocol Office called the Embassy to advise that it had approved 10 of the 16 pending visa requests and would seek additional information on the remaining six. They also said they were setting up a meeting the week of January 11 for the Embassy to brief the Protocol Office on the Embassy's proposed plans for the expansion of the Marine House. End Note.)

GBRV Resuscitates the Issue of the Accidental Overflight

¶8. (C) The Ambassador expressed surprise at the recent denunciations by National Assembly Deputies and the official media of a U.S. incursion into Venezuelan airspace. He noted that the inadvertent U.S. incursion into Venezuelan airspace in May 2008 was being portrayed as if it had just happened. The Ambassador alerted Arias that the Embassy would respond publicly and would note that the incident occurred in May 2008 and had been resolved at that time in conversations with the Foreign Ministry.

Regional Issues: Honduras, OAS, DCA, Brazil

¶9. (C) Honduras: Arias expressed his conviction that the coup in Honduras could have been reversed, and could still be resolved, if the U.S. Southcom Commander had just given the "order" to the Honduran military. Arias insisted that even a "public declaration" by the Commander would have been obeyed by the Honduran military, who have sustained the coup. The U.S. Commander "is who orders what happens," according to Arias. Moreover, Arias claimed the elections were a "mockery," that it would be difficult for the GBRV to recognize President Lobo, and

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that any solution required the involvement of President Zelaya. The Ambassador strongly challenged Arias' views, stressing the political nature of the problem, the need for a political solution, and the improbability of the Honduran military responding to any "order" by the U.S. Southcom Commander.

¶10. (C) OAS: With regard to the future tenure of OAS Secretary General Jose Miguel Insulza, Arias said the GBRV would respect the regular term of office and had not heard of other candidates.

¶11. (C) Brazil: Arias said PT candidate Dilma Rousseff still had a chance, especially given President Lula da Silva's popularity.

¶12. (C) DCA: Arias expressed concern about the "U.S. bases" in Colombia, which he alleged could be used to launch military actions in the region. He said the DCA presented a problem not just for Venezuela, but for all South American countries, and underlined the extent to which Colombia had been isolated at the last UNASUR meeting. Recalling Ecuadorian President Correa's invitation to Secretary Clinton to meet with UNASUR countries to explain the agreement, Arias asked whether the Secretary planned to accept the invitation. The Ambassador rebutted Arias' description of the DCA as involving "U.S. bases in Colombia" and stressed that both U.S. assistance to Colombia and the U.S. Forward Operating Location (FOL) in Aruba/Curacao were not recent developments, but reflected long-standing arrangements; the GBRV's intense criticism of both in recent months has therefore been surprising. The DCM noted that this was the first time the GBRV had raised its concerns about the DCA directly with the Embassy.

Arias Expresses Disappointment in the Obama Administration

¶13. (C) Arias said he thought the Obama Administration had begun with a more "humane," "respectful," and "understanding"

approach, but that the "hawks" had made it difficult for Obama. As a result, Arias saw a return to the traditional U.S. approach of "shoot first, ask questions later." Ambassador Duddy disputed Arias' characterization but also noted that the President must seek to govern within the context of strong and independent legislative and judicial branches of government. While the Administration had started with very high public expectations for immediate change, it was in fact moving forward with President Obama's agenda, including successfully rescuing the economy, reducing the U.S. military presence in Iraq, and working to responsibly close the Guantanamo detention facility. The Ambassador noted that President Chavez' personal criticisms of Obama were surprising many of those who have sought a better relationship with Venezuela.

The Cedeno Case

¶14. (C) The DCM noted that Chavez' call for the imprisonment of the judge who ordered the release of banker Eligio Cedeno (reftel) surprised everyone, especially given the strict separation between the political and judicial branches of government in the United States. Chavez' comments, which were widely reported in the United States, have been cited by Cedeno's lawyers as bolstering Cedeno's asylum claim. Arias insisted that the Venezuelan judiciary was still independent and blamed the judge for assisting in the "escape" of Cedeno, who was condemned for his own corrupt actions.

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Comment

¶15. (C) Arias' decision to meet with the Ambassador was a pleasant surprise and appears to be directly related to the Ambassador's upcoming consultations in Washington. We suspect that Arias felt secure enough in his relationship with Chavez to accept the Ambassador's invitation after clearing it with Foreign Minister Maduro and presumably with Chavez. Arias is a former military officer and a co-conspirator in Chavez' unsuccessful 1992 coup attempt. Arias' decision might also be seen in the context of the current rumors regarding a possible Cabinet shuffle, in which Foreign Minister Maduro has appeared in some reports as moving up to the Vice Presidency or as Secretary in the Office of the President.

¶16. (C) While Arias clearly expressed his interest in improving bilateral contacts, Arias did not appear to be authorized to make any commitments; his expression of good intentions will ultimately depend on the unpredictable decisions of President Chavez.

¶17. (C) On departing the meeting Arias' assistant Leong evinced relief to the Polcouns that at long last a substantive bilateral meeting had been held, even if in an informal setting.
DUDDY